

Gregg M. Galardi, Esq.
Ian S. Fredericks, Esq.
SKADDEN, ARPS, SLATE, MEAGHER &
FLOM, LLP
One Rodney Square
PO Box 636
Wilmington, Delaware 19899-0636
(302) 651-3000

Dion W. Hayes (VSB No. 34304)
Douglas M. Foley (VSB No. 34364)
MCGUIREWOODS LLP
One James Center
901 E. Cary Street
Richmond, Virginia 23219
(804) 775-1000

- and -

Chris L. Dickerson, Esq.
SKADDEN, ARPS, SLATE, MEAGHER &
FLOM, LLP
333 West Wacker Drive
Chicago, Illinois 60606
(312) 407-0700

Counsel to the Debtors and
Debtors in Possession

IN THE UNITED STATES BANKRUPTCY COURT
FOR THE EASTERN DISTRICT OF VIRGINIA
RICHMOND DIVISION

- - - - - x
In re: : Chapter 11
:
CIRCUIT CITY STORES, INC., : Case No. 08-35653 (KRH)
et al., :
:
: Jointly Administered
Debtors. x
- - - - -

**CONSENT MOTION OF THE DEBTORS FOR ENTRY OF STIPULATION,
AGREEMENT AND ORDER BY AND AMONG THE DEBTORS AND CIT
COMMUNICATIONS FINANCE CORPORATION REGARDING REJECTION OF
AN UNEXPIRED LEASE OF PERSONAL PROPERTY AND FOR RELATED
RELIEF**

With the consent of CIT Communications Finance
Corporation aka Avaya Financial Services (the "Lessor"),
the debtors and debtors in possession in the above-

captioned jointly administered cases (the "Debtors")¹ hereby move (the "Motion"), for entry of the Stipulation, Agreement and Order by and among the Debtors and the Lessor, attached hereto as Exhibit A (the "Stipulation and Order"). The Stipulation and Order is an agreement between the Debtors and the Lessor whereby the Debtors will reject that certain equipment lease with the Lessor and will provide the Lessor, its designee or a third party purchaser from the Lessor with reasonable access to remove the leased equipment. The Debtors respectfully request that the Court enter the Stipulation and Order.

¹ The Debtors and the last four digits of their respective taxpayer identification numbers are as follows: Circuit City Stores, Inc. (3875), Circuit City Stores West Coast, Inc. (0785), InterTAN, Inc. (0875), Ventoux International, Inc. (1838), Circuit City Purchasing Company, LLC (5170), CC Aviation, LLC (0841), CC Distribution Company of Virginia, Inc. (2821), Circuit City Properties, LLC (3353), Kinzer Technology, LLC (2157), Abbott Advertising Agency, Inc. (4659), Patapsco Designs, Inc.(6796), Sky Venture Corp. (0311), Prahs, Inc.(n/a), XSStuff, LLC (9263), Mayland MN, LLC (6116), Courcheval, LLC (n/a), Orbyx Electronics, LLC (3360), and Circuit City Stores PR, LLC (5512). The address for Circuit City Stores West Coast, Inc. is 9250 Sheridan Boulevard, Westminster, Colorado 80031. For all other Seller, the address is 9950 Mayland Drive, Richmond, Virginia 23233.

Dated: April 28, 2009 SKADDEN, ARPS, SLATE, MEAGHER &
Richmond, Virginia FLOM, LLP
 Gregg M. Galardi, Esq.
 Ian S. Fredericks, Esq.
 P.O. Box 636
 Wilmington, Delaware 19899-0636
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- and -

SKADDEN, ARPS, SLATE, MEAGHER &
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333 West Wacker Drive
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- and -

/s/ Douglas M. Foley
Dion W. Hayes (VSB No. 34304)
Douglas M. Foley (VSB No. 34364)
One James Center
901 E. Cary Street
Richmond, Virginia 23219
(804) 775-1000

Counsel for Debtors and
Debtors in Possession

EXHIBIT A

(Stipulation and Order)

Gregg M. Galardi, Esq.
Ian S. Fredericks, Esq.
SKADDEN, ARPS, SLATE, MEAGHER &
FLOM, LLP
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Wilmington, Delaware 19899-0636
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Douglas M. Foley (VSB No. 34364)
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In re: : Chapter 11
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CIRCUIT CITY STORES, INC., : Case No. 08-35653 (KRH)
et al., :
:
Debtors. : Jointly Administered
- - - - - x

**STIPULATION, AGREEMENT AND ORDER BY AND AMONG THE DEBTORS
AND CIT COMMUNICATIONS FINANCE CORPORATION REGARDING
REJECTION OF AN UNEXPIRED LEASE OF PERSONAL PROPERTY AND
FOR RELATED RELIEF**

This stipulation and agreement (the "Stipulation") is made this 28th day of April, 2009 by and between the debtors and debtors in possession in the

above-captioned cases (collectively, the "Debtors")¹ and CIT Communications Finance Corporation aka Avaya Financial Services (collectively, the "Lessor"). The Debtors and the Lessor are collectively referred to herein as the "Parties".

WHEREAS, on November 10, 2008 (the "Petition Date"), the Debtors filed voluntary petitions for chapter 11 relief with the United States Bankruptcy Court for the Eastern District of Virginia (the "Bankruptcy Court").

WHEREAS, pursuant to sections 1107 and 1108 of title 11 of the United States Code (the "Bankruptcy Code"), the Debtors are continuing to manage and operate their businesses as debtors in possession.

WHEREAS, Circuit City Stores, Inc. ("Circuit City"), one of the above captioned Debtors, and the Les-

¹ The Debtors and the last four digits of their respective taxpayer identification numbers are as follows: Circuit City Stores, Inc. (3875), Circuit City Stores West Coast, Inc. (0785), InterTAN, Inc. (0875), Ventoux International, Inc. (1838), Circuit City Purchasing Company, LLC (5170), CC Aviation, LLC (0841), CC Distribution Company of Virginia, Inc. (2821), Circuit City Properties, LLC (3353), Kinzer Technology, LLC (2157), Abbott Advertising Agency, Inc. (4659), Patapsco Designs, Inc.(6796), Sky Venture Corp. (0311), Prahs, Inc.(n/a), XSStuff, LLC (9263), Mayland MN, LLC (6116), Courchevel, LLC (n/a), Orbyx Electronics, LLC (3360), and Circuit City Stores PR, LLC (5512). The address for Circuit City Stores West Coast, Inc. is 9250 Sheridan Boulevard, Westminster, Colorado 80031. For all other Debtors, the address is 9950 Mayland Drive, Richmond, Virginia 23233.

sor are parties to that certain Master Equipment Lease Agreement, including any amendments or modifications thereto and any and all schedules, supplements, addenda or similar attachments thereto (collectively, the "Lease"), pursuant to which Circuit City leased from the Lessor certain telephones and related equipment (the "Leased Phones and Equipment") for use in the Debtors' corporate offices. A copy of the Lease is attached hereto as Exhibit 1.

WHEREAS, in light of the liquidation, the Debtors have or will shortly have no further need for the Leased Phones and Equipment.

WHEREAS, the Debtors and the Lessor have reached an agreement regarding rejection of the Lease and return of the Leased Phones and Equipment.

NOW, THEREFORE, intending to be legally bound hereby, upon order of the Bankruptcy Court as contemplated hereby (the "Order"), the Parties hereto stipulate as follows:

1. The Lease shall be deemed rejected as of April 30, 2009 for the purposes of section 365(d)(5) (the "Rejection Date"). The Debtors and the Lessor reserve all other rights and remedies, if any.

2. Beginning on or April 24, 2009, the Debtors will make available to the Lessor, its designee or a third party purchaser from Lessor for removal all of the Leased Phones and Equipment except for the subset of Leased Phones and Equipment currently being used by the approximately 90 employees remaining with the Debtors (the "In Use Phones and Equipment").

3. Beginning at the close of business on April 28, 2009, the Debtors will make available to the Lessor, its designee or a third party purchaser from Lessor for removal all of the In Use Phones and Equipment.

4. The Debtors will cooperate in good faith with the Lessor, its designee or a third party purchaser from Lessor to enable the Lessor, its designee or a third party purchaser from Lessor to remove all of the Leased Phones and Equipment, including providing the Lessor its designee or a third party purchaser from Lessor with reasonable access to the Debtors' premises during or after normal business hours.

5. Pursuant to paragraph 6 the Order Pursuant to Bankruptcy Code Sections 105 and 502 and Bankruptcy Rules 2002, 3003(c)(3), and 9007 (I) Setting Gen-

eral Bar Date and Procedures for Filing Proofs of Claim; and (II) Approving Form and Manner of Notice Thereof (Docket No. 890), the Lessor shall have until sixty days after the later of (a) the date of entry of the Order approving this Stipulation or (b) the Rejection Date to file any proofs of claim for rejection damages arising from the rejection of the Lease.

6. Upon entry of the Order by the Bankruptcy Court, this Stipulation shall be binding upon and shall inure to the benefit of each of the Parties and each of their respective successors and assigns.

7. The Bankruptcy Court shall retain exclusive jurisdiction to hear and determine all matters relating to or arising from this Stipulation.

8. This Stipulation contains the entire agreement and understanding between the Parties with respect to the subject matter hereof, and supersedes and replaces all prior negotiations or proposed agreements, written or oral.

9. This Stipulation may be executed in counterparts, each of which shall be deemed to be an original, but all of which, together will constitute one and the same agreement. This Stipulation may be executed by

facsimile or electronic signature which shall have the same force and effect as an original signature.

IN WITNESS WHEREOF, the Parties have set their hands in agreement as of the date written above.

CIRCUIT CITY STORES, INC.

By:

SKADDEN, ARPS, SLATE, MEAGHER & FLOM, LLP
Gregg M. Galardi, Esq.
Ian S. Fredericks, Esq.
P.O. Box 636
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SKADDEN, ARPS, SLATE, MEAGHER & FLOM, LLP
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/s/ Douglas M. Foley
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Douglas M. Foley (VSB No. 34364)
One James Center
901 E. Cary Street
Richmond, Virginia 23219
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Counsel for the Debtors and Debtors in Possession

**CIT COMMUNICATIONS FINANCE CORPORATION aka
AVAYA FINANCIAL SERVICES**

By:

/s/ Paul S. Bliley, Jr.
Paul S. Bliley, Jr.
Williams Mullen
A Professional Corporation
Two James Center, 14th Floor
P.O. Box 1320
Richmond, Va. 23218-1320
Phone: 804.783.6448

Counsel for the Lessor

ORDER

Upon consideration of the foregoing, it is
hereby:

ORDERED, that the Stipulation is hereby ap-
proved in its entirety; and it is further

ORDERED, that this Court shall retain juris-
diction to hear and determine all matters arising from
or related to this Stipulation and Order.

Dated: Richmond, Virginia
_____, 2009

UNITED STATES BANKRUPTCY JUDGE

WE ASK FOR THIS:

Gregg M. Galardi, Esq.
Ian S. Fredericks, Esq.
SKADDEN, ARPS, SLATE, MEAGHER & FLOM, LLP
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Wilmington, Delaware 19899-0636
(302) 651-3000

- and -

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Douglas M. Foley (VSB No. 34364)
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CERTIFICATION OF ENDORSEMENT UNDER LOCAL RULE 9022-1(C)

Pursuant to Local Bankruptcy Rule 9022-1(C), I hereby certify that the foregoing proposed order has been endorsed by or served upon all necessary parties.

/s/ Douglas M. Foley
Douglas M. Foley

EXHIBIT 1

(Lease)



**Amendment To Master Equipment
Lease Agreement**

LESSEE: CIRCUIT CITY STORES, INC.	LESSOR: CIT COMMUNICATIONS FINANCE CORPORATION
Street Address 9950 Mayland Dr	Address 1 CIT Drive Livingston, NJ 07039
City, State, Zip Richmond, VA 203832	Lease Number X903832

Lessor and Lessee hereby amend, as specified below, the Master Equipment Lease Agreement (Agreement) identified by the Lease Number specified above. Capitalized terms used in this Amendment that are not otherwise defined herein shall have the meanings ascribed to them in the Agreement.

1. In Section 6, at the end of the first sentence, in the eighth line, insert the following sentence: "Lessor shall send an invoice to Lessee for each Rental Payment 25 days prior to the periodic payment date; provided, however, that in no event shall Lessor's failure to receive any such invoice modify or suspend its obligations to pay Rental Payments."
2. In Section 6, in the eighteenth line, replace "10 days" with "20 days".
3. In Section 9, in the eighteenth line, after "its own expense" insert "(Lessor hereby agrees to reasonably cooperate with Lessee in pursuing such request in Lessor's name as necessary at Lessee's expense)".
4. In Section 9, insert the following sentence at the end of the paragraph: "Lessor also agrees that upon request of the Lessee, Lessor will provide proof of any property tax assessment to Lessee, in the form of the applicable property tax return and county assessment."
5. In Section 15, beginning in the thirty-third line, replace "CONFERRED UPON A LESSEE BY ARTICLE 2A OF THE UCC" with "CONFERRED BY SECTIONS 508 THROUGH 522 OF ARTICLE 2A OF THE UCC (OR SUCCESSOR PROVISIONS THERETO)".
6. In Section 18, in the sixth line, after "by Lessor" insert "; provided, however, that Lessee shall not be required to ship the Equipment to a location outside of a 1,000 mile radius of the applicable Equipment Location unless Lessor agrees to reimburse Lessee for the transportation charges beyond such radius".
7. In Section 18, beginning in the sixteenth line, delete the sentence which states "If requested by Lessor... to make Rental Payments."
8. In Section 19, replace clause (a), which begins in the second line, with the following: "(a) Lessee fails to pay any Rental Payment or any other amount payable to Lessor hereunder when due, and Lessee fails to cure such breach within 30 days after notice thereof."

Duplicate

9. In Section 19, in clause (b) in the seventh line, replace "within 10 days" with "within 30 days".
10. In Section 30, delete the sentence beginning in the seventh line, which states "Lessor and Lessee consent to...in any such court."

Lessor and Lessee hereby make this Amendment an integral part of the Agreement.

CIRCUIT CITY STORES, INC.

By: Eric G.
(Lessee Authorized Signature)

Eric A. Jonas, Jr.
(Type/Print Name)

SVP, H.R.
(Title)

9/28/2006
(Date)

CIT COMMUNICATIONS FINANCE
CORPORATION

By: DAH
(Lessor Authorized Signature)

David Johnson
(Type/Print Name)

Sr. Contracts Mgr.
(Title)

9/29/06
(Date)

Duplicate

(23)	APPROVED AS TO FORM
9/29/06 BY: <u>DAH</u>	

SECRETARY'S CERTIFICATE



LESSEE: CIRCUIT CITY STORES, INC.	LESSOR: CIT COMMUNICATIONS FINANCE CORPORATION
Address 9950 Mayland Dr	1 CIT Drive Livingston, NJ 07039
City / State / Zip Richmond, VA 23233	Lease # X903832 ("Agreement")

I, Reginald D. Hedgebeth, DO HEREBY CERTIFY that I am the duly qualified and acting Secretary of the Lessee ("Corporation"), which is a corporation; that the Corporation is duly organized, validly existing and in good standing under the laws of the State of Virginia; and qualified to do business in each jurisdiction where the equipment (as such term is defined in the Agreement specified above) will be located; that I have custody of the charter and bylaws of the Corporation; that based on an examination of the aforementioned charter, bylaws and other relevant records, as of the date set forth below and the date upon which the Agreement and any attendant document is executed, each of the following persons in the respective capacities indicated is fully authorized to execute the Agreement referenced above and other attendant documents on behalf of the Corporation by and between the Corporation and Lessor with full authority to bind the Corporation thereto.

Name	Title	Signature
<u>Eric Jonas</u>	SVP	

IN WITNESS WHEREOF, I have set my hand and affixed the seal of the Corporation this
28 day of September 2000

By _____

Signature of Secretary

Reginald D. Hedgebeth
Type/Print Name

(Corporate Seal)